

FIRST REGULAR SESSION

[PERFECTED]

# HOUSE BILL NO. 309

## 91ST GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVES McKENNA, JOHNSON (90), WAGNER, SELBY,  
ABEL AND HOLLINGSWORTH (Co-sponsors).

Read 1<sup>st</sup> time January 10, 2001, and 1000 copies ordered printed.

Read 2<sup>nd</sup> time January 11, 2001, and referred to the Committee on Fiscal Review and Government Reform, February 1, 2001.

Reported from the Committee on Fiscal Review and Government Reform, February 20, 2001, with recommendation that the bill  
Do Pass by Consent.

Perfectured by Consent March 5, 2001.

TED WEDEL, Chief Clerk

0997L.01P

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## AN ACT

To repeal section 163.191, RSMo 2000, relating to allowable costs for state aid to community colleges, and to enact in lieu thereof one new section relating to the same subject.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Section 163.191, RSMo 2000, is repealed and one new section enacted in lieu  
2 thereof, to be known as section 163.191, to read as follows:

163.191. 1. Each year public community colleges in the aggregate shall be eligible to  
2 receive from state funds, if state funds are available and appropriated, an amount up to but not  
3 more than fifty percent of the state community colleges' planned operating costs as determined  
4 by the department of higher education. As used in this subsection, the term "year" means from  
5 July first to June thirtieth of the following year. As used in this subsection, the term "operating  
6 costs" means all costs attributable to current operations, including all direct costs of instruction,  
7 instructors' and counselors' compensation, administrative costs, all normal operating costs and  
8 all similar noncapital expenditures during any year, excluding costs of construction of facilities  
9 and the purchase of equipment, furniture, and other capital items authorized and funded in  
10 accordance with subsection 2 of this section. Operating costs shall be computed in accordance  
11 with accounting methods and procedures to be specified by the department of higher education.  
12 The department of higher education shall review all institutional budget requests and prepare  
13 appropriation recommendations annually for the community colleges under the supervision of  
14 the department. The department's budget request shall include a recommended level of funding.

15 Distribution of appropriated funds to community college districts shall be in accordance with the  
16 community college resource allocation model. This model shall be developed and revised as  
17 appropriate cooperatively by the community colleges and the department of higher education.  
18 The department of higher education shall recommend the model to the coordinating board for  
19 higher education for their approval. The core funding level for each community college shall  
20 initially be established at an amount agreed upon by the community colleges and the department  
21 of higher education. This amount will be adjusted annually for inflation, limited growth, and  
22 program improvements in accordance with the resource allocation model starting with fiscal year  
23 1993. The department of higher education shall request new and separate state aid funds for any  
24 new districts for their first six years of operation. The request for the new districts shall be based  
25 upon the same level of funding being provided to the existing districts, and should be sufficient  
26 to provide for the growth required to reach a mature enrollment level. The department of higher  
27 education will be responsible for evaluating the effectiveness of the resource allocation model  
28 and will submit a report to the speaker of the house of representatives and president pro tem of  
29 the senate by November 1997, and every four years thereafter.

30       2. In addition to state funds received for operating purposes, each community college  
31 district shall be eligible to receive an annual appropriation for the cost of maintenance and repair  
32 of facilities and grounds, **including surface parking areas**, and purchases of equipment and  
33 furniture. Such funds shall not exceed in any year an amount equal to ten percent of the state  
34 appropriations to community college districts for operating purposes during the most recently  
35 completed fiscal year. The department of higher education may include in its annual  
36 appropriations request the necessary funds to implement the provisions of this subsection and  
37 when appropriated shall distribute the funds to each community college district as appropriated.  
38 The department of higher education appropriations request shall be for specific maintenance,  
39 repair, and equipment projects at specific community college districts, shall be in an amount of  
40 fifty percent of the cost of a given project as determined by the coordinating board and shall be  
41 only for projects which have been approved by the coordinating board through a process of  
42 application, evaluation and approval as established by the coordinating board. The coordinating  
43 board, as part of its process of application, evaluation, and approval, shall require the community  
44 college district to provide proof that the fifty- percent share of funding to be defrayed by the  
45 district is either on hand or committed for maintenance, repair, and equipment projects. Only  
46 salaries or portions of salaries paid which are directly related to approved projects may be used  
47 as a part of the fifty-percent share of funding.

48       3. School districts offering two-year college courses pursuant to section 178.370, RSMo,  
49 on October 31, 1961, shall receive state aid pursuant to subsections 1 and 2 of this section if all  
50 scholastic standards established pursuant to sections 178.770 to 178.890, RSMo, are met.

51           4. In order to make postsecondary educational opportunities available to Missouri  
52 residents who do not reside in an existing community college district, community colleges  
53 organized pursuant to section 178.370, RSMo, or sections 178.770 to 178.890, RSMo, shall be  
54 authorized pursuant to the funding provisions of this section to offer courses and programs  
55 outside the community college district with prior approval by the coordinating board for higher  
56 education. The classes conducted outside the district shall be self-sustaining except that the  
57 coordinating board shall promulgate rules to reimburse selected out-of-district instruction only  
58 where prior need has been established in geographical areas designated by the coordinating board  
59 for higher education. Funding for such off-campus instruction shall be included in the  
60 appropriation recommendations, shall be determined by the general assembly and shall continue,  
61 within the amounts appropriated therefor, unless the general assembly disapproves the action by  
62 concurrent resolution.

63           5. A "community college" is an institution of higher education deriving financial  
64 resources from local, state, and federal sources, and providing postsecondary education primarily  
65 for persons above the twelfth grade age level, including courses in:

- 66           (1) Liberal arts and sciences, including general education;
- 67           (2) Occupational, vocational-technical; and
- 68           (3) A variety of educational community services.

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70 Community college course offerings lead to the granting of certificates, diplomas, and/or  
71 associate degrees, but do not include baccalaureate or higher degrees.

72           6. When distributing state aid authorized for community colleges, the state treasurer may,  
73 in any year if requested by a community college, disregard the provision in section 30.180,  
74 RSMo, requiring the state treasurer to convert the warrant requesting payment into a check or  
75 draft and wire transfer the amount to be distributed to the community college directly to the  
76 community college's designated deposit for credit to the community college's account. S